



The President's Daily Brief

April 29, 1974

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THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

Fighting on the Golan front increased over the weekend after several days of relative quiet. (Page 1)

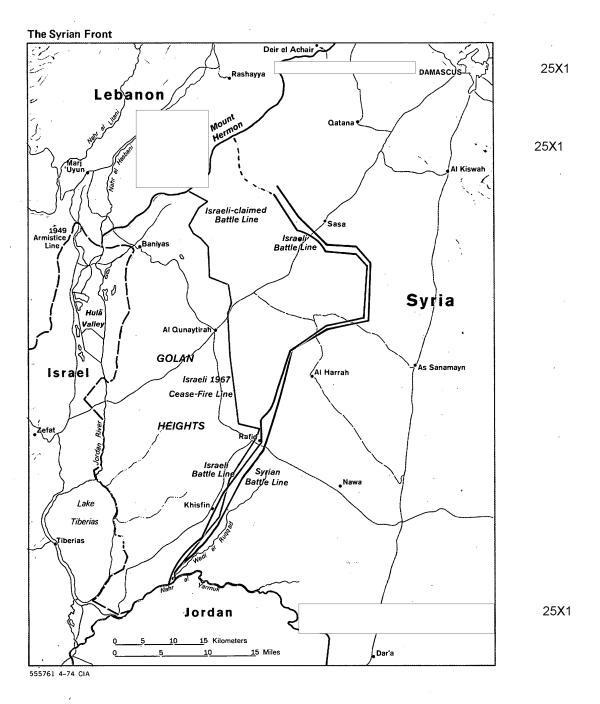
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The junta in Portugal is concerned that the enthusiastic response to announced moves toward liberalization could conflict with its determination to maintain order. (Page 3)

In Ethiopia, the military have ended their arrests of former ministers; they continue to proclaim their support for Prime Minister Endalkatchew's government. (Page 4)

Recent remarks by a senior North Korean official shed light on Pyongyang's current tactics aimed at getting rid of the UN Command in the South and obtaining a US commitment to total military withdrawal. (Page 5)

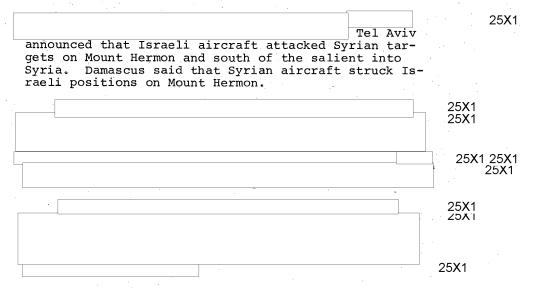
A note on a major Soviet economic venture in Latin America is on Page 6.



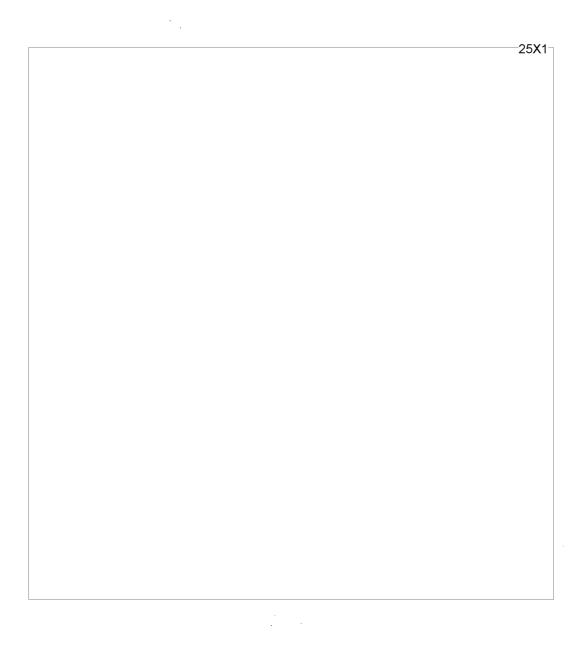
ISRAEL-SYRIA

Fighting on the Golan front increased over the weekend after several days of relative quiet. Sharp exchanges of tank and artillery fire occurred on both Saturday and Sunday. In yesterday's action, Israeli and Syrian aircraft were detected flying combat operations for the first time since mid-week.

Israeli military authorities announced on Saturday that 14 Israeli soldiers had been killed and seven injured during the day's fighting. Six died in a helicopter crash that apparently was caused by a mechanical failure. Since the cease-fire in October, the Israelis admit to having lost 40 dead and 99 wounded on the Syrian front.



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USSR-CHINA

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On the same day, <u>Pravda</u> reiterated Moscow's contention that the helicopter downed in March was on a mercy mission and was not engaged in intelligence activities, as charged by Peking. This was the first significant publicity Moscow has given the incident since its second formal protest nearly a month ago, which has been officially ignored by China. There have been repeated rumors that the Chinese intend to try the helicopter crew.

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PORTUGAL

The junta has largely consolidated its control. It is concerned, however, that the enthusiastic response to announced moves toward liberalization could conflict with its determination to maintain order. Although General Spinola has implied that political parties, including the Socialist Party and the Communist-dominated Democratic Electoral Commission, will be legalized, the junta has warned that it will set limits on political activity should freedoms be "abused."

The junta apparently does not plan to consult other groups in choosing the provisional president and government. Although censorship has been abolished, an ad hoc commission will "control" the media until new press laws are promulgated. The armed forces will deal with crimes against "the established political order" just as under Caetano.

The new regime has given precedence to consolidating its power in Portugal proper. Apparently it prefers to postpone detailed consideration of policy toward the African insurgencies. It has replaced governors-general in the African territories, as it did provincial governors in Portugal, and has directed their immediate subordinates to take charge. So far, no civil disturbances have been reported from any of the territories.

ETHIOPIA

Addis Ababa is reported calm. Military forces are less in evidence, but some patrols continue.

Fifteen former cabinet ministers and five other former officials charged with corruption are being held at the headquarters of the Fourth Army Division in Addis Ababa. A coordinating committee formed by representatives of the armed forces and police to direct the arrests stated on April 27 that the officials would be held pending the decision of a committee of inquiry appointed last month to investigate allegations of widespread official corruption.

The coordinating committee said the armed forces and police support the cabinet and Emperor Haile Selassie. The committee urged the Ethiopian people to follow the cabinet's directives, stated its opposition to strikes and demonstrations, and appealed to striking workers to return to work. It demonstrated the military's determination to end the country's wave of strikes by arresting eight executives of the Addis Ababa bus company for questioning in connection with the bus drivers' strike.

Despite their current expressions of support for the government, some members of the moderate reformists that dominate the military probably question the ability of the Endalkatchew cabinet to restore order and proceed with promised reforms. They may decide to take a firmer hand in running the country's affairs if severe disorders continue for long.

KOREA

North Korean Vice Premier Chong Chun-ki stated, during a tour of African countries earlier this month, that Pyongyang wants a firm US agreement in principle to withdraw its forces from the South.

the Vice Premier

asserted that such an agreement should be reached through bilateral talks with the US, but the precise timing of withdrawal could be decided in later discussions involving other parties--presumably including the South Koreans. Chong further stated that Pyongyang regarded US withdrawal as opening the way for reunification of the peninsula under the North by political or "other" means, including subversion.

Chong's statement is part of a current effort by Pyongyang to enlist international support for its recent proposal for bilateral talks with the US. The stress on bilateral negotiations, however, is only a tactic in North Korea's effort to make some progress on the troop withdrawal issue--with or without direct negotiations.

Pyongyang hopes the fall session of the General Assembly will vote to end the UN Command, and calculates that this development would stimulate international pressure on the US to withdraw its forces. The North Koreans are probably also signaling that they are not prepared to discuss any other issues—such as the restructuring of the Armistice Agreement—until their requirement on the US troop question is satisfied.

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NOTE

USSR-Argentina-Uruguay: The USSR has been awarded a \$50-million contract by Argentina and Uruguay to install six turbines at the Salto Grande dam project located on the border between the two countries. This will be the first major Soviet economic venture in either country and one of the first in Latin America other than those Moscow has undertaken in Cuba and Chile. The Soviet bid was 30 percent below the lowest made by the other bidders, which included US, Japanese, West European, and Yugoslav firms. In addition to a 4-percent interest rate over 15 years, the Soviets agreed to accept payment in goods rather than cash.

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